

SENATE BILL NO. 182

INTRODUCED BY J. COBB

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT THE AGGREGATE REIMBURSEMENT RATE  
5 FOR PHYSICIAN SERVICES UNDER THE MEDICAID PROGRAM IS 98 PERCENT OF THE AGGREGATE  
6 REIMBURSEMENT RATE FOR THOSE SERVICES UNDER THE FEDERAL MEDICARE PROGRAM; AND  
7 AMENDING SECTION 53-6-113, MCA."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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11 **Section 1.** Section 53-6-113, MCA, is amended to read:

12 **"53-6-113. Department to adopt rules.** (1) The department of public health and human services shall  
13 adopt appropriate rules necessary for the administration of the Montana medicaid program as provided for in this  
14 part and that may be required by federal laws and regulations governing state participation in medicaid under Title  
15 XIX of the Social Security Act, 42 U.S.C. 1396, et seq., as amended.

16 (2) The department shall adopt rules that are necessary to further define for the purposes of this part the  
17 services provided under 53-6-101 and to provide that services being used are medically necessary and that the  
18 services are the most efficient and cost-effective available. The rules may establish the amount, scope, and  
19 duration of services provided under the Montana medicaid program, including the items and components  
20 constituting the services.

21 (3) (a) The department shall establish by rule the rates for reimbursement of services provided under  
22 this part. The department may in its discretion set rates of reimbursement that it determines necessary for the  
23 purposes of the program. In establishing rates of reimbursement, the department may consider but is not limited  
24 to considering:

- 25 ~~(a)~~(i) the availability of appropriated funds;
- 26 ~~(b)~~(ii) the actual cost of services;
- 27 ~~(c)~~(iii) the quality of services;
- 28 ~~(d)~~(iv) the professional knowledge and skills necessary for the delivery of services; and
- 29 ~~(e)~~(v) the availability of services.

30 (b) The aggregate reimbursement rate for physician services provided to recipients of medicaid must

1 be 98% of the aggregate rate paid for those services by the federal medicare program pursuant to the provisions  
2 of 42 U.S.C. 1395ff.

3 (4) The department shall specify by rule those professionals who may deliver or direct the delivery of  
4 particular services.

5 (5) The department may provide by rule for payment by a recipient of a portion of the reimbursements  
6 established by the department for services provided under this part.

7 (6) The department may adopt rules consistent with this part to govern eligibility for the Montana  
8 medicaid program. Rules may include but are not limited to financial standards and criteria for income and  
9 resources, treatment of resources, nonfinancial criteria, family responsibilities, residency, application, termination,  
10 definition of terms, confidentiality of applicant and recipient information, and cooperation with the state agency  
11 administering the child support enforcement program under Title IV-D of the Social Security Act, 42 U.S.C. 651,  
12 et seq. The department may not apply financial criteria below \$15,000 for resources other than income in  
13 determining the eligibility of a child under 19 years of age for poverty level-related children's medicaid coverage  
14 groups, as provided in 42 U.S.C. 1396a(l)(1)(B) through (l)(1)(D).

15 (7) The department may adopt rules limiting eligibility based on criteria more restrictive than that provided  
16 in 53-6-131 if required by Title XIX of the Social Security Act, 42 U.S.C. 1396, et seq., as may be amended, or  
17 if funds appropriated are not sufficient to provide medical care for all eligible persons.

18 (8) The department may adopt rules necessary for the administration of medicaid managed care  
19 systems. Rules to be adopted may include but are not limited to rules concerning:

- 20 (a) participation in managed care;  
21 (b) selection and qualifications for providers of managed care; and  
22 (c) standards for the provision of managed care.

23 (9) Subject to subsection (6), the department shall establish by rule income limits for eligibility for  
24 extended medical assistance of persons receiving section 1931 medicaid benefits, as defined in 53-4-602, who  
25 lose eligibility because of increased income to the assistance unit, as that term is defined in the rules of the  
26 department, as provided in 53-6-134, and shall also establish by rule the length of time for which extended  
27 medical assistance will be provided. The department, in exercising its discretion to set income limits and duration  
28 of assistance, may consider the amount of funds appropriated by the legislature."

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